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OPERATOR OF FOR-PROFIT SOFTWARE PIRACY WEB SITE

SENTENCED TO 24 MONTHS IN PRISON

Caused Up To \$2.5 Million in Losses to Software Industry

WASHINGTON – The owner of a massive for-profit software piracy Web site was sentenced in federal court to 24 months in prison, Assistant Attorney General Alice S. Fisher of the Criminal Division and U.S. Attorney Chuck Rosenberg of the Eastern District of Virginia announced today.

Ronnie A. Knott, 36, of Salt Lake City, was convicted of criminal copyright infringement and sentenced by U.S. District Court Judge Gerald Bruce Lee to serve 24 months in prison to be followed by three years of supervised release.

Beginning in at least early 2005 and continuing until its shutdown by the FBI in May 2006, Knott operated a business called both “Smart PC” and “CDBackups,” which provided paid “subscribers” access to infringing copies of software products that were copyrighted by companies such as Adobe Systems Inc., Apple Computer Inc., Microsoft Corporation, and Symantec Corporation. Subscribers paid as much as \$125 per month in order to gain unlimited access to all the software on the site, which they could download freely. Knott admitted that he received approximately \$20,000 in “subscription fees” for providing this access.

The investigation, which was conducted by agents of the FBI’s Washington Field Office, involved an undercover agent who became a subscriber to Knott’s service and was able to download more than \$30,000 worth of pirated software. Using evidence of the FBI’s undercover purchases as probable cause, Knott’s operation was taken down in May 2006. Further investigation established that Knott had illegally reproduced copyrighted software with a retail value of nearly \$2.5 million.

This case is being prosecuted by trial attorney Jay V. Prabhu of the Criminal Division’s Computer Crime and Intellectual Property Section. The Business Software Alliance and

the Software & Information Industry Association assisted the government with its investigation.

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